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Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554 DOCKET FILE COPY ORIGINAL

In the Matter of

VERILINK CORPORATION

Petition for Rulemaking to Amend the Commission's Part 68 Rules to Authorize Regulated Carriers to Provide Certain Line Build Out Functionality as a Part of Regulated Network Equipment on Customer Premises RM - 8158 RECEIVED

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

## COMMENTS OF BELL ATLANTIC1

The Commission should grant Verilink's petition and initiate a rulemaking to include a limited Line Build Out ("LBO") function in network equipment at the customer interface. Verilink accurately points out that inclusion of LBO as a network function at the interface will save customers, equipment vendors, and the telephone company considerable time, expense, and inconvenience, and will have no adverse impact on competition for customer premises equipment ("CPE"). The proposed change would also allow Bell Atlantic to implement the industry standards for DS1 interfaces, which provide for LBO at the interface.

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<sup>&</sup>lt;sup>1</sup> The Bell Atlantic telephone companies ("Bell Atlantic") are The Bell Telephone Company of Pennsylvania, the four Chesapeake and Potomac telephone companies, The Diamond State Telephone Company and New Jersey Bell Telephone Company.

Petition for Rulemaking (filed Dec, 14, 1992) ("Petition").

<sup>&</sup>lt;sup>3</sup> American National Standards Institute, American National Standard for Telecommunications: Carrier-to-Customer Installation - DS1 Metallic Interface (1989).

Bell Atlantic shares Verilink's concern that customers are frequently unsure of the proper LBO setting for the new network channel terminating equipment ("NCTE") they install with DS1 lines. They often contact either the manufacturer or the telephone company to determine the proper setting, increasing the amount of administrative time and expense needed to install the In some instances, they fail to call an expert but, instead, use the wrong setting, then complain if the signal level is either too low, reducing throughput, or too high, causing cross-talk. If the telephone company provided the LBO function at the network interface, the technician could determine the proper LBO setting at the time the service was installed, based upon the characteristics of the premises wiring and the distance to the CPE. Neither the customer nor the vendor would need to be involved -- the LBO level on the CPE would automatically be set properly.6

Inclusion of the LBO function at the interface would not have any adverse competitive impact. Customers would still have to obtain unregulated NCTE to terminate their DS1 services. On the other hand, it would meet the Commission's Computer Inquiry III standard for network functions that may be performed on customer premises. Placing the LBO function at the interface

<sup>4</sup> See Petition at 7-11.

<sup>5</sup> Extremes of uncorrected CPE signal levels could make the customer's service completely unusable.

<sup>6</sup> This level would be zero decibels.

would "serve the public interest by increasing the efficiency ... of a particular basic service, and ... provision of such function[] through unregulated CPE will not permit attainment of comparable efficiencies."

Verilink suggests that the customer will save money, because the price of the CPE without the LBO function may decline, and that the price of DS1 service could drop, because the telephone company's administrative costs will drop. The latter may not be the case. The LBO function was previously incorporated in the network interface devices that provide loopback testing, but the LBO function was not used. Since the Commission's decision denying a declaratory ruling request that would have allowed the function to be activated, the function has been disabled or removed. The costs of re-installing the LBO function will likely offset any administrative savings. The principal customer benefit would be in eliminating the time and trouble to determine the proper LBO setting on the CPE.

<sup>&</sup>lt;sup>7</sup> Amendment to Section 64.702 of the Commission's Rules and Regulations (Third Computer Inquiry), Memorandum Opinion and Order on Reconsideration, 3 FCC Rcd 1150 at ¶ 138 (1988).

<sup>8</sup> Petition at 11.

<sup>&</sup>lt;sup>9</sup> BellSouth's Petition for Declaratory Ruling or, Alternatively, Request for Limited Waiver of the CPE Rules to Provide Line Build Out (LBO) Functionality as a Component of Regulated Network Interface Connectors on Customer Premises, 6 FCC Rcd 3336 (1991).

Verilink has shown how the public interest will be served by allowing the LBO function to be provided as part of the regulated DS1 service. Accordingly, the Commission should initiate the requested rulemaking.

Respectfully submitted,

The Bell Atlantic Telephone Companies

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February 8, 1993

## CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing "Comments of Bell Atlantic" was served this 8th day of February, 1993, by delivery thereof by first class mail, postage prepaid, to the parties on the attached list.

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